

HOUSE BILL REPORT

ESSB 5045

As Reported by House Committee On:
Government Accountability & Oversight
Appropriations Subcommittee on General Government & Information Technology

Title: An act relating to the creation of a permit to allow day spas to offer or supply without charge wine or beer by the individual glass to a customer for consumption on the premises.

Brief Description: Creating a permit to allow day spas to offer or supply without charge wine or beer by the individual glass to a customer for consumption on the premises.

Sponsors: Senate Committee on Commerce & Labor (originally sponsored by Senators Keiser, Honeyford, Kohl-Welles and Frockt).

Brief History:

Committee Activity:

Government Accountability & Oversight: 2/20/14 [DP];
Appropriations Subcommittee on General Government & Information Technology:
2/27/14 [DPA].

**Brief Summary of Engrossed Substitute Bill
(As Amended by Committee)**

- Creates a special permit for day spas to offer a complimentary glass of wine or beer to customers for on-premise consumption.
- Defines "day spa" for the purposes of the special permit.

HOUSE COMMITTEE ON GOVERNMENT ACCOUNTABILITY & OVERSIGHT

Majority Report: Do pass. Signed by 9 members: Representatives Hurst, Chair; Wylie, Vice Chair; Condotta, Ranking Minority Member; Holy, Assistant Ranking Minority Member; Blake, Kirby, Moscoso, Shea and Vick.

Staff: Thamas Osborn (786-7129).

Background:

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The Liquor Control Board (LCB) issues several different types of licenses and permits that allow an entity to serve and/or sell alcoholic beverages. Examples of special permits include: an annual permit for bed and breakfast facilities to offer complimentary wine or beer to overnight guests for consumption on the premises; and a permit to allow liquor distributors and manufacturers to donate and serve without charge alcohol to guests at trade shows and conventions.

There are specific exemptions that allow certain entities to offer alcoholic beverages for no charge without a license or permit. For example, wedding boutiques and art galleries may offer one glass of wine or beer without charge to customers who are 21 years of age or older for on-premise consumption. The wine or beer served at wedding boutiques or art galleries must be purchased from a Washington licensed retailer at full retail price. The wedding boutique or art gallery may not sell beer or wine, or advertise the complimentary service of beer or wine. A wedding boutique or art gallery employee involved in serving beer or wine must complete a limited alcohol server training program.

Summary of Bill:

A permit is created to allow a day spa to offer, without charge, wine or beer by the individual glass to customers for on-premise consumption. The customer must be at least 21 years old and may only be offered, per day, one glass of wine, not to exceed 6 ounces, or one glass of beer, not to exceed 12 ounces. The wine or beer served must have been purchased from a Washington state licensed retailer. Any employee involved in the service of wine or beer must complete a board-approved alcohol server training program.

A day spa offering wine or beer without charge may not advertise the service of complimentary wine or beer and may not sell wine or beer in any manner. Beer or wine may be offered to a customer only if the services to be rendered will last more than one hour.

A "day spa" is defined as a business that offers at least three of the following four types of beauty service categories: hair care, nail care, skin care, and body care (massages, wraps, waxing, etc.). To be eligible for the permit, the day spa must provide separate service areas of the spa for at least three of the service categories offered.

The fee for a day spa permit is \$125 per year.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) This bill has been a work in progress since last session and has been amended in order to reach agreement on its current provisions. Currently, many spas are already offering alcoholic beverages to their customers without any regulation or oversight whatsoever. The passage of this bill will remedy this problem by creating a regulatory system for those day spas that qualify for the serving of complimentary beer and wine to their customers. The bill only applies to the larger, full-service day spas that provide a wide range of services to their customers. Small nail salons and similar businesses that provide simple, quick cosmetic services are not covered by this bill.

(Opposed) None.

Persons Testifying: Senator Keiser, prime sponsor.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS SUBCOMMITTEE ON GENERAL GOVERNMENT & INFORMATION TECHNOLOGY

Majority Report: Do pass as amended. Signed by 7 members: Representatives Hudgins, Chair; Parker, Ranking Minority Member; Buys, Dunshee, S. Hunt, Springer and Taylor.

Minority Report: Do not pass. Signed by 2 members: Representatives Christian and Jinkins.

Staff: Melissa Palmer (786-7388).

Summary of Recommendation of Committee On Appropriations Subcommittee on General Government & Information Technology Compared to Recommendation of Committee On Government Accountability & Oversight:

A null and void section is added.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Amended Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed. However, the bill is null and void unless funded in the budget.

Staff Summary of Public Testimony:

(In support) None.

(Opposed) As always with this kind of legislation, the concern is less about the specifics of the legislation in front of this committee, but the concern is more linked to the annual proliferation of alcohol legislation, which leads to greater access to alcohol. For example, access to alcohol has been expanded to fairs, art galleries, wedding boutiques, grocery stores,

farmers markets, and theaters. Under this legislation, alcohol would now be permitted at day spas. This normalizes the use of alcohol for our youth and sends the message that it is okay to drink a little bit and drive. There are costly consequences of pouring this much alcohol into our communities. The Legislature is considering increasing access to alcohol and considering tougher laws regarding driving under the influence. There are a growing number of elected officials that understand this disconnect cannot continue. Looking at this one bill, it may appear there is not a great impact. However, when alcohol is allowed in atypical situations, it sets an example for youth and establishes a casual relationship with alcohol.

Persons Testifying: Seth Dawson, Washington Association for Substance Abuse and Prevention.

Persons Signed In To Testify But Not Testifying: None.